

City of San Marcos

630 East Hopkins San Marcos, TX 78666

Work Session - Final City Council

Tuesday, August 6, 2019 3:00 PM City Council Chambers

630 E. Hopkins - Work Session

I. Call To Order

II. Roll Call

- 1. Receive a Staff presentation and hold discussion regarding the City's Economic Development Policy, the various elements associated with the current the Economic Development process, and the various components that go into a successful economic development program, and provide direction to Staff.
- 2. Receive Staff presentation of the one-year review of the Police Department's Chief's Advisory Panel, and provide direction to the City Manager.

III. Adjournment.

POSTED ON WEDNESDAY, JULY 31, 2019 AT 3:15PM

JAMIE LEE CASE, CITY CLERK

Notice of Assistance at the Public Meetings

The City of San Marcos does not discriminate on the basis of disability in the admission or access to its services, programs, or activities. Individuals who require auxiliary aids and services for this meeting should contact the City of San Marcos ADA Coordinator at 512-393-8000 (voice) or call Texas Relay Service (TRS) by dialing 7-1-1. Requests can also be faxed to 855-461-6674 or sent by e-mail to ADAreguest@sanmarcostx.gov



City of San Marcos

630 East Hopkins San Marcos, TX 78666

Legislation Text

File #: ID#19-402, Version: 1

AGENDA CAPTION:

Receive a Staff presentation and hold discussion regarding the City's Economic Development Policy, the various elements associated with the current the Economic Development process, and the various components that go into a successful economic development program, and provide direction to Staff.

Meeting date: August 6, 2019

Department: City Manager's Office, Steve Parker, Assistant City Manager

Amount & Source of Funding

Funds Required: Click or tap here to enter text.

Account Number: Click or tap here to enter text.

Funds Available: Click or tap here to enter text.

Account Name: Click or tap here to enter text.

Fiscal Note:

The City's current Economic Development policy was originally adopted in 2013 and was amended in 2016 to include the family living wage incentive of \$15.00 plus benefits.

City Council Strategic Initiative: N/A

Comprehensive Plan Element (s):

Not Applicable

Master Plan: N/A

Background Information:

In the past year, there have been numerous discussions regarding the City's Economic Development process and the policy we follow when trying to recruit new firms to the City of San Marcos. The attached presentation will outline the steps of the economic development process and the components that go into a successful economic development program.

Council Committee, Board/Commission Action:

File #: ID#19-402, Version: 1

Alternatives:

Recommendation:

Provide direction to staff.



CITY COUNCIL WORK SESSION

Economic Development Policy Work Session



Presentation

Staff presentation/discussion regarding the City's Economic Development Policy



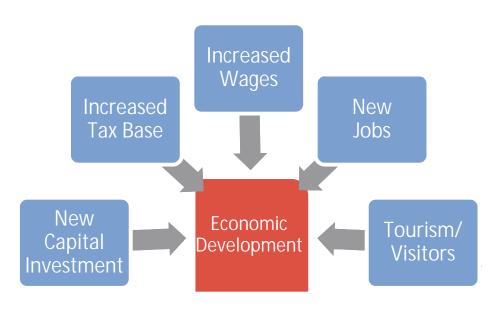
What is Economic Development

- Process by which new dollars come into a local economy through "primary sector" employers
 - Example: CFAN, Mensor sell products across the country/state (outside of San Marcos)
 - Primary Sector = Companies whose products/services are sold in statewide, national or international markets

Creates economic diversity that sustains the local economy

through business cycles

GOAL = to increase the per capita income of local residents





Economic Development in San Marcos

- Greater San Marcos Partnership (GSMP) is the city's agent for economic development
- Mission: to be a force for positive economic change by attracting and growing quality jobs and investment
- > Team of 8 experienced economic development professionals
- GSMP's annual program of work is based on a driven 5 year strategy – Vision2020



Economic Development in San Marcos

- ➤ GSMP/City of San Marcos Contract Deliverables
 - BRE (Business Retention & Expansion)
 Work with local businesses to expand, establish annual program to meet with them and act as resource for issues
 - 2. Business Recruitment Recruit new companies in target industry sectors
 - 3. Small Business
 Connect small businesses to resources, organize events on economic development and entrepreneurial events
 - Workforce Development
 Through BRE meetings align education and training efforts with industry needs, identify shortcomings in training and enhance partnerships with training providers



Economic Development in San Marcos

- ➤ Vision 2020: 5 year Economic Development Strategy (2016-2020)
 - Marketing & Promotion
 Promote San Marcos as a great place to do business
 - Workforce Development
 Work with WF Development providers, higher education
 institutions, ISDs to ensure residents have the skills needed for
 good jobs
 - Quality Jobs
 Attract quality jobs to the community by retaining and expanding existing companies, attracting new companies, and small business
 - Quality of Place
 Support infrastructure, beautification efforts and maintaining an
 attractive location through quality and sustainable growth



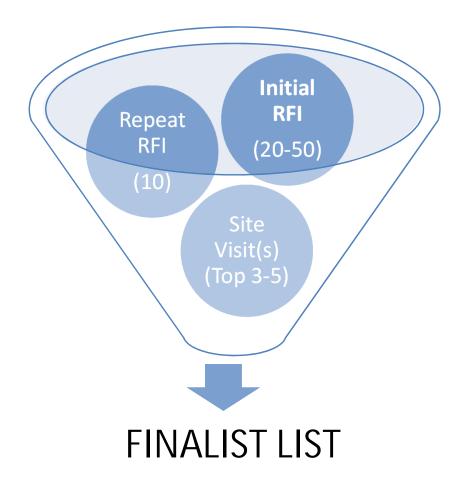
Vision 2020: Target Industries

- > Aerospace, Aviation, Security & Defense
- Business Services and Support
- ➤ Material Science
- Information Technology
- > Life Sciences
- > Regional Distribution
- > Destination Attractions



The Economic Development Process

- Site Selection Process
- > Two entities: the Company and the Location/Community





The Economic Development Process

- "Heirarchy of Needs"
- Primary Factors in assessing a location

5. Incentives

4. Amenities/QOL

3. Real Estate/Site

2. Talent

1. Infrastructure



Economic Development Incentives

- Incentives are a key tool used to pursue Economic Development projects and growing your economy
 - ➤ Texas is the 4th highest property tax state for large capital investment projects in the country
 - Other communities/states will offer incentives to attract same company



Incentive Tools

- Chapter 312 Tax Abatements- a portion of property taxes are waived for a period not to exceed 10 years
- Chapter 380 written agreement that rebates sales tax or property tax back to businesses based on a level of investment or a schedule of additional payroll/jobs from the city
- Chapter 381 written agreement that rebates sales tax or property tax back to businesses based on a level of investment or a schedule of additional payroll/jobs from the county
- ➤ Chapter 313 creates a state program for certain large businesses to limit the appraised value on their property for the purposes of local Texas public school district property taxes.

Chapter 380's are the primary tool that the City of San Marcos uses.



Incentive Tools

- City's can designate a portion of their sales tax towards a 4A/4B designation. Local sales tax can not exceed 2%.
- In 1987, the voters approved a ½ cent sales tax for property tax reduction for both the city and the county thus taking San Marcos to the 2% cap.
- ➤ 4A Sales Tax Incentives created to fund industrial development project such as business infrastructure, manufacturing and research and development.
- ➤ 4B Sales Tax Incentives created to fund Type A eligible projects as well as parks, museums, sports facilities and affordable housing.
- ➤ San Marcos is not eligible for the 4A/4B economic development sales tax allocation.

City of San Marcos' ED Supplemental Fund was created to simulate 4A/4B funding.



Incentive Tools used by Other Cities

City	Abatements	Chapter 380	4A	4B	Cash/Land
San Marcos	X	X			Χ*
New Braunfels	X	X	X	X	X
College Station	X	X			X
Georgetown	X	X	X	X	X
Round Rock	X	X		X	X
Hutto	X	X	X	X	X

^{*} Available but not used



Strategic Advantage of Other Cities

City	City Positions	City Budget	4A/4B & Regional Funding	Outside ED Staff
San Marcos	1	\$400,000	\$1.6M	8
New Braunfels	1	Cost of 1 position approximately \$125K	\$6.7M	?
College Station	3	\$675K	\$1.7M	6
Georgetown	4	\$635K	\$8.8M	7
Round Rock	0	\$0	\$20.3M	7
Hutto	4	\$927k	\$1.4M	1



City Economic Development Process

GSMP

- Meets w/ Company
- Accepts application
- Evaluates and scores per city ED policy
- Performs Economic Impact Anaysis (EIA)
- Presents to City Staff/EDSM/Council

City Staff

- City Staff receives briefing from GSMP
- Meets w/Company
- Evaluates proposal per city policy
- Reviews EIA

EDSM

- Called to meet
- Reviews application, scoring and EIA
- •Recommendation to Council

Council

- Presentation to Council by GSMP/City staff
- Review and deliberate EDSM recommendation
- Final recommendation and direction to City Staff

Sammarcos Current San Marcos Economic Development Policy

- > Established in 2013 and amended in 2016
- > Policy for performance-based tax incentives
- > All projects are reviewed/scored on key criteria:
 - Overall economic and fiscal impact to the city from jobs, wages and capital investment amount and stability of company/industry
 - Linkages to San Marcos economy in terms of industry sector and opportunities for local contracting. Start new industry sector.
 - Impact on city infrastructure
 - Labor force practices for employees including diversity, wages/ benefits
 - Corporate culture and quality of life
 - Any extraordinary economic impact (high # jobs or investment)



How Do We Measure Criteria

- Economic impact analysis which evaluates jobs and economic activity associated with project
- > Interviews and individual research associated with the firm
- Number and percentage of jobs earning a family living wage plus benefits
- Average/median wages compared to national and county average
- Estimate of percentage of hiring locally
- > Third party reports, legal actions/judgments regarding firm

SANTIACOS

Project Score & Incentive Ranges

Each project application is scored based on the policy criteria. Total score determines an appropriate incentive range.

Score	Qualifies for Tax Incentive Rebate	or	Per job Payment
81 to 100	80%		\$200 per job
71 to 80	70%		\$150 per job
60 to 79	60%		\$100 per job
Below 60	Not Eligible		Not Eligible

The City Council reserves the right to create a unique incentive package in the case of extraordinary economic development opportunities.

Steps for Approval

Typically, Company meets with Greater San Marcos Partnership as well as City staff. Company completes ED application and GSMP performs fiscal impact analysis. GSMP meets with City staff to develop an incentive recommendation for the SM Economic Development Board (EDSM). City staff takes incentive recommendation to EDSM for approval. Currently, GSMP coordinates City Council approves or amends EDSM recommendation. City staff completes the Chapter 380 based on Council direction. Chapter 380 is approved at a future council meeting.



Economic Development Success

- TABLE TO BE INSERTED
- This table will show that despite not being a 4A/4B economic development city, that the City has still been successful in adding companies to the economic base



Economic Development Position

- Job Description is currently being developed and should be posted shortly
- Position Responsibilities for Economic Development:
 - Serve as the City's agent, in conjunction with GSMP, to seek best projects that meet our economic development goals and our community values
 - Follow clear protocols meeting Council expectations around insuring we have identified pros and cons and background of the company
 - Conduct financial and city cost benefit analysis on each project
 - Coordination of city staff during contract negotiations and entitlement process
 - Facilitate approved projects through the development process
 - Work in unison with current successful efforts provided by GSMP in recruiting and delivering projects to the City



Economic Development Position

- Position Responsibilities for Business Development:
 - Support local established businesses that have an interest to expand or simply want to continue to be successful in our community
 - Possible creation of a program that would focus around legal or longterm business incentive programs
 - Augment GSMP efforts to coordinate with available partners in the community around employee recruitment, training, entrepreneurship and other business needs
 - City Liaison for new businesses wanting to establish their business here and support them through the process
- Position Responsibilities for Workforce Development:
 - Assist with the City Strategic Initiative regarding Workforce
 Development and will work with regional partners and businesses to accomplish this task
 - The goals of this initiative will be determined by the San Marcos City Council



GSMP Contract Deliverables

- With the hiring of the City Economic Development Position, contract deliverables will need to be reviewed and possibly amended to ensure collaboration with the City in implementing the City's initiatives
- Contract Deliverables should be focused around:
 - Recruitment efforts that are focused on the promotion and marketing of quality companies that meet or exceed the City's criteria and community values. The goal is to incentivize quality companies that offer good paying jobs, increase the economic base and who are solid community partners.
 - Workforce Development would include a Continuum of Services study to identify all providers, partners, programs and services and to identify opportunities and gaps thus helping us to assemble a focused game plan on how to develop our workforce.
 - Business Retention and Expansion (BRE) work with GSMP and community to continue BRE visits. Goal is to help businesses expand or to help them proactively work through city related issues.

sanmarcostx.gov



Policy Review

- ➤ The current City Economic Development Policy is sound and objective, but needs to be updated.
- Potential additions to the scoring criteria
 - Sustainability and green building practices
 - Hourly rate
 - Extraordinary impact for 500+ jobs and/or \$200M+ Capital Investment



Next Steps

- New Economic Development Policy September 3, 2019
- GSMP Contract with new deliverables- October 1, 2019 (pending hire of City ED position start date)



QUESTIONS?

RESOLUTION 2013-185R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS ADOPTING A NEW ECONOMIC DEVELOPMENT INCENTIVES POLICY; AND DECLARING AN EFFECTIVE DATE.

RECITALS:

- 1. The City Council wishes to promote economic development within the City of San Marcos and has granted economic development incentives under an approved Economic Development Incentives Policy.
- 2. The City Council wishes to adopt a new policy for the granting of economic development incentives.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

- **PART 1.** The attached Economic Development Policy (the "Policy") that provides criteria and processes for the granting of economic development incentives is hereby approved and adopted.
- **PART 2**. The Policy replaces and supersedes the prior Economic Development Incentives Policy approved and adopted by the City Council.
- **PART 3.** This Resolution shall be in full force and effect immediately from and after its passage.

ADOPTED on December 17, 2013.

Daniel Guerrero

Mayor

Attest:

Jamie Lee Pettijohn

Citv Clerk

The City of San Marcos **Economic Development Policy**

General Purpose & Objectives

The City of San Marcos is a culturally diverse, rapidly growing community that prides itself on its natural beauty, young and talented workforce and friendly environment. In the beautiful Central Texas Hill Country, San Marcos serves as the Hays County seat and is located halfway between Austin, the State Capitol, and San Antonio to the South on the fast growing IH 35 corridor. Hays County has been ranked one of the fastest growing counties in the nation given the numerous factors that make San Marcos an appealing place to live and work. This economic development policy has been developed in order to help make San Marcos the most desirable place to locate or expand a business in the nation.

Definitions

- 1. "Preferred Scenario Map," means geographic region of the City of San Marcos as shown on the attached Exhibit A, where development is preferred by city planners.
- 2. "COSM Water Quality Regulations," means the City of San Marcos' water quality regulations, standards, and requirements, including those appearing in the City Code or other ordinance, or administrative rules.
- 3. "Economic and Fiscal Impact," means impact any given project may have on the tax base of the City of San Marcos and financial ability to meet the desired level of service expected by citizens.
- 4. "Headquarters," means the physical location of a company's center for administrative operations and the physical location of the primary office for the Chief Operating Officer, President, or principal management of the company.
- 5. "Local Firm," means a firm engaged in business and located within the taxing jurisdiction of the City of San Marcos.
- 6. "Average Wage" means statistical average mean wage being paid or proposed wage to be paid by prospective company.

- 7. "Median Wage" means statistical median wage being paid or proposed wage to be paid by prospective company.
- 8. "Targeted Industry," means specific industrial activities, or companies involved in specific industries that have been identified as a desirable industry for our recruitment program.
- 9. "State economic development funds," means financial incentives by or through the state government.
- 10. "Net Present Value," means the discounted value of an investment's cash inflows minus the discounted value of its cash outflows.

Incentive Policy Firm-Based Investments

San Marcos is committed to the promotion of quality development in all parts of the City and to improving the quality of life for its citizens. In order to meet these goals, the City Council will consider providing incentives to stimulate economic development in San Marcos and its extraterritorial jurisdiction (ETJ). The City will consider providing incentives to appropriate businesses in accordance with the procedures and criteria outlined in this Policy. Prospective businesses are strongly encouraged to discuss potential incentives with the Greater San Marcos Partnership, City officials and staff members early in the stage of a development, since a project is not eligible for incentives under this Policy if a building or site development permit has been issued for the project before an incentive application is submitted.

Minimum Requirements:

- ☐ The Firm must be located within the Preferred Scenario Map unless special consideration is given by San Marcos City Council.
- □ The Firm must comply with current City of San Marcos water quality regulations on all current projects and during term of incentive agreement. (reference: City Council resolution)

A. Overall Economic and Fiscal Impact

- □ What is the absolute size of the net benefit?
 - o Economic impact as measured by jobs and income
 - Level of desirable public benefits included in the project
 - Net fiscal impact to the City
- □ Does the project fit with one of the strategic targets identified?

- ☐ Is the firm a headquarters operation? Does it represent the "headquarters" of a new product line/service for the firm?
- □ Is the firm growing? Is the firm in a growing industry? How stable is the firm?

Measurements:

- o Economic impact analysis (jobs, economic activity)
- Net fiscal impact analysis
- o Discussion of other items

B. Local Linkages to the San Marcos Economy

- Does the project make use of an especially underutilized asset?
 - o Certain segments of the labor force/current office space
- □ Will the project create significant contracting opportunities for local firms?
 - Small/disadvantaged business
- Does the project fill a gap in the San Marcos economic base?
 - Key supplier relationships
- Does the project have the potential to either seed a new economic cluster or bring additional firms to San Marcos?
- □ Will the firm directly compete for resources with existing local firms?
- Measurements:
 - Analysis of above items in light of information gleaned from both the firm and secondary sources

C. Infrastructure Impact

□ Will the firm make a disproportionate demand on the community's infrastructure?

D. Labor Force Practices

- □ Will the bulk of new hires be local or imported?
- □ What is the average wage paid? How does it compare to the local or national industry average?
- □ What is the median wage paid? How are job categories and wages distributed within the overall structure?
- □ What training is provided? Are there opportunities for advancement? Are there funds for additional education (tuition match, etc.)?
- Does the firm actively promote diversity in hiring and promotion?
- Measurements:
 - Average and median wages compared to national/regional averages

o Estimate of percentage of hiring from local labor force

E. Cultural/Quality of Life Considerations

- □ Does the firm have a proactive cultural outreach program?
- □ Does the firm actively encourage employee volunteer/charitable efforts?
- Measurements:
 - Analysis of above items, based on objective measures (third-party reports, judgments/legal actions, etc.) as well as interaction with the firm.

F. Extraordinary Economic Impact (only one required)

- □ The firm is in a targeted industry
- □ The firm is involved in leading edge technology
- □ State economic development funds are available for the firm
- □ The firm will generate 200 jobs or more

Process

Firm-Based Scoring System

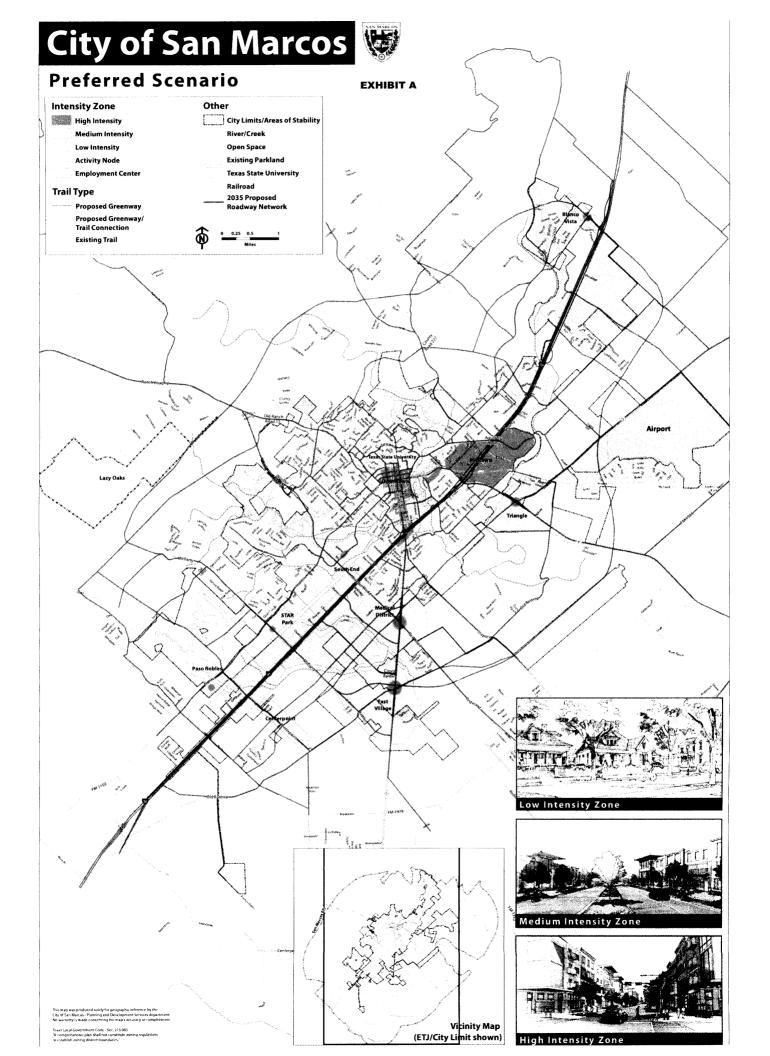
Under the attached scoring system, points are assigned to each of the major criteria described above. This scoring system is used to assess whether incentives will be offered to a firm and, based on the final score, the potential incentive amount for the firm.

Firms with a score between 81-100 may qualify for up to 80% of the net present value of the estimated total tax liability or up to \$200 per job per year over 10 years. Firms with a score between 71-80 may qualify for up to 70% of the net present value of the estimated total tax liability or up to \$150 per job per year over 10 years. Firms with a score between 60-70 may qualify for up to 60% of the net present value of the estimated total tax liability or up to \$100 per job per year over 10 years. Firms that score below 60 points do not qualify for incentives. As a standard practice, total investments in a firm will not exceed 50% of the present value of the estimated total tax liability over 10 years and will not exceed 80% of the total tax liability in any single year. Firms that are in a targeted industry as identified by the City of San Marcos, in a leading edge technology, eligible for state incentives, will generate 200 or more jobs, invest \$25 million or more, or establish its headquarter operations in San Marcos are eligible for an additional \$50 per job per year. However, the City Council reserves the right to create a unique shared investment package in the case of extraordinary opportunities for economic development in San Marcos. These may include cases where:

- □ The firm is in a targeted industry
- □ The firm is involved in leading edge technology
- □ State economic development funds are available for the firm
- □ The firm will generate 200 jobs or more
- ☐ The firm will relocate its headquarters to San Marcos

The table below represents the scoring system used by the Greater San Marcos Partnership to measure each project. The economic development matrix provides additional information for each category scored.

Overall Economic and Fiscal Impact						
Small	Medium	Large				
10	20	30				
Linkages to the Local Economy						
Poor	Acceptable	Strong				
0	15	25				
Character of Jobs/Labor Practices						
Poor	Acceptable	Excellent				
0	15	25				
Infrastructure Impact						
Disproportionate	Proportionate	Low Impact				
0	5	10				
Quality of Life/Cultural Vitality						
Unacceptable	Acceptable	Excellent				
0	5	10				
Total Possible Poin	100					



RESOLUTION 2016-15R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS AMENDING THE CITY'S ECONOMIC DEVELOPMENT POLICY TO REQUIRE THAT JOBS QUALIFYING FOR AN ECONOMIC DEVELOPMENT INCENTIVE PAY A FAMILY LIVING WAGE, INCLUDING EMPLOYER SPONSORED HEALTH INSURANCE BENEFITS; AND DECLARING AN EFFECTIVE DATE.

RECITALS:

- 1. The City Council wishes to promote economic development within the City of San Marcos and has granted economic development incentives under an Economic Development Policy approved by Resolution No. 2013-185R.
- 2. The City Council wishes to adopt amendments to said Economic Development Policy to ensure that all new jobs created with an incentive from the City of San Marcos shall earn no less than a "family living wage."

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

- **PART 1.** The attached Economic Development Policy (the "Amended Policy") that provides criteria and processes for the granting of economic development incentives is hereby approved and adopted.
- **PART 2**. The Amended Policy replaces and supersedes the prior Economic Development Policy approved and adopted by Resolution No. 2013-185R.
- **PART 3.** This Resolution shall be in full force and effect immediately from and after its passage.

ADOPTED on February 2, 2016.

Daniel Guerrero

Mayor

Attest:

ramie Nee Pettijoh

City Clerk

The City of San Marcos Economic Development Policy 2013

General Purpose & Objectives

The City of San Marcos is a culturally diverse, rapidly growing community that prides itself on its natural beauty, young and talented workforce and friendly environment. In the beautiful Central Texas Hill Country, San Marcos serves as the Hays County seat and is located halfway between Austin, the State Capitol, and San Antonio to the South on the fast growing IH 35 corridor. Hays County has been ranked one of the fastest growing counties in the nation given the numerous factors that make San Marcos an appealing place to live and work. This economic development policy has been developed in order to help make San Marcos the most desirable place to locate or expand a business in the nation.

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- 3. "Headquarters," means the physical location of a company's center for administrative operations and the physical location of the primary office for the Chief Operating Officer, President, or principal management of the company.
- 4. "Family living wage," means a wage of \$15.00 per hour, plus employer-sponsored health insurance available to the employee and dependents that provides coverage equal to that offered to any other full-time employee of the company.
- 5. "Local firm," means a firm engaged in business and located within the taxing jurisdiction of the City of San Marcos.
- 6. "Average wage," means statistical average mean wage being paid or proposed wage to be paid by prospective company.
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- 9. "State economic development funds, "means financial incentives by or through state government.
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Incentive Policy

Firm -Based Investments

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Minimum Requirements:

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- The Firm must comply with current City of San Marcos water quality regulations on all current projects and during term of incentive agreement. (reference: City Council Resolution)

A. Overall Economic and Fiscal Impact

- What is the absolute size of the net benefit?
 - Economic impact as measured by jobs and income
 - Level of desirable public benefits included in the project
 - Net fiscal impact to the City
- o Does the project fit with one of the strategic targets identified?
- Is the firm a headquarters operation? Does it represent the "headquarters" of a new product line/service for the firm?
- o Is the firm growing? Is the firm in a growing industry? How stable is the firm?

Measurements:

- Economic impact analysis (jobs, economic activity)
- Net fiscal impact analysis
- Discussion of other items

B. Local Linkages to the San Marcos Economy

- o Does the project make use of an especially underutilized asset?
 - Certain segments of the labor force /current office space
- Will the project create significant contracting opportunities for local firms?
 - Small /disadvantaged business
- O Does the project fill a gap in the San Marcos economic base?
 - Key supplier relationships

- O Does the project have the potential to either seed a new economic cluster or bring additional firms to San Marcos?
- Will the firm directly compete for resources with existing local firms?

Measurements:

 Analysis of above items in light of information gleaned from both the firm and secondary sources

C. Infrastructure Impact

• Will the firm make a disproportionate demand on the community's infrastructure?

D. Labor Force Practices

- All jobs calculated or counted for economic development incentive purposes shall earn no less than a "family living wage," as defined herein, throughout the full term of the agreement.
- Will the bulk of new hires be local or imported?
- What is the average wage paid? How does it compare to the local or national industry average?
- What is the median wage paid? How are job categories and wages distributed within the overall structure?
- What training is provided? Are there opportunities for advancement? Are there funds for additional education (tuition match, etc.)?
- Does the firm actively promote diversity in hiring and promotion?

Measurements:

- Number and percentage of jobs earning a family living wage
- Average and median wages compared to national /regional averages
- Estimate of percentage of hiring from local labor force

E. Cultural/Quality of Life Considerations

- O Does the firm have a proactive cultural outreach program?
- o Does the firm actively encourage employee volunteer /charitable efforts?

Measurements:

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0	15	25
Infrastructure Impact		
Disproportionate	Proportionate	Low Impact
0	5	10
Quality of Life/Cultural Vitality		
Unacceptable	Acceptable	Excellent
0	5	10
Total Possible Points		100

Policy Regarding Use of the City of San Marcos Economic Development Supplemental Fund

Section 1. Purpose. The City of San Marcos has established an Economic Development Supplemental Fund (the Fund) to complement existing economic development incentive tools for projects to be located within areas and with uses as provided for in the Comprehensive Plan, "Vision San Marcos: A River Runs Through Us."

Section 2. Qualified Projects. The Fund may be used for projects that have qualified for Chapter 380 Economic Development Incentives from the City of San Marcos in the following categories:

- a) Business and support facilities, including national and regional corporate headquarters, back office operations, customers care service centers, processing and data centers, professional, scientific and technical services, are eligible projects, provided the facilities create or retain primary jobs.
- b) **Business sectors for current consideration** shall include aerospace/aviation, material sciences, life sciences and information technology, to include related manufacturing and industrial facilities, as well as other advanced manufacturing facilities, provided the facilities create or retain primary jobs.
- c) Research and development facilities are eligible projects, provided the facilities create or retain primary jobs.
- d) **Distribution centers and warehouse facilities** are eligible projects, provided the facilities create or retain primary jobs.
- e) **Other.** The Fund may be used for other exceptional primary job creation or retention opportunities, or other business opportunities, as determined by the City Council.

Section 3. Use of Funds. The Fund may be used for the following purposes:

- a) To fund all or a portion of Qualified Projects that the City Council determines will promote the development of new or expanded business enterprises within the City; and
- b) By the City Manager, as directed by the City Council, for the purpose of enhancing the City's economic development efforts.
- **Section 4. Procedures.** The process for approval of the use of the Economic Development Supplemental Fund may include:
 - a) Analysis by City staff, and/or the Greater San Marcos Partnership, and/or the EDSM Board as necessary; and
 - b) Consideration and Final Approval by the City Council.



City of San Marcos

Legislation Text

File #: ID#19-387, Version: 1

AGENDA CAPTION:

Receive Staff presentation of the one-year review of the Police Department's Chief's Advisory Panel, and provide direction to the City Manager.

Meeting date: August 7, 2019

Department: Police - Chief Chase Stapp

Amount & Source of Funding

Funds Required: N/A

Account Number: Click or tap here to enter text.

Funds Available: Click or tap here to enter text.

Account Name: Click or tap here to enter text.

Fiscal Note:

Prior Council Action: Work Session Direction February 2018

City Council Strategic Initiative:

<u>Comprehensive Plan Element (s)</u>: ⊠ Not Applicable

Master Plan: N/A

Background Information:

In February of 2018, City Council received a work session presentation in preparation for the formation of a combined citizen and employee advisory panel to the Chief of Police. That panel was formed in the following months and met for the first time in August of 2018. The stated goals for the panel were tied directly to the recommendations made in the President's Report on 21st Century Policy published by the United States Department of Justice in May of 2015. Those goals were to build relationships to further enhance trust within the community, to provide opportunities for members of the community to engage with and provide input to SMPD personnel, to further enhance transparency by providing updates about departmental complaint processes, and to advance the department's goal of holding true to the recommendations of the President's

File #: ID#19-387, Version: 1

Report on 21st Century Policing. The panel has met six times since its formation. At each meeting, the panel receives a presentation from a member of the department about a program or case, receives a summary of employee complaints received and handled since the last meeting, discusses neighborhood concerns, previews upcoming events, and in some instances reviews policy documents being revised by the department. The purpose of this work session is to provide Council an update about the panel and its work and to answer any questions Council members may have about the panel's work.

Council Committee, Board/Commission Action:

The Council approved formation of the Chief's Advisory Panel in 2018.

Alternatives:

N/A

Recommendation:

N/A



CITY COUNCIL Work Session

Tuesday, August 20, 2019



Work Session



Receive a work session update on the one-year review of the Police Department's Chief's Advisory Panel.



Background

Formed in August of 2018, the SMPD Chief's Advisory Panel was formed to achieve multiple goals:

- Build relationships to further enhance trust within the community
- Provide opportunities for members of the community to engage with and provide input to SMPD personnel
- Further enhance transparency by providing updates about departmental complaint processes
- Advance the department's goal of holding true to the recommendations of the President's Report on 21st Century Policing



SMPD Chief's Advisory Panel





Sample Agenda

San Marcos Police Department
Combined Chief's Advisory Panel
June 19, 2019
Agenda

- Approve minutes April meeting
- Presentation –Officer Claudia Cormier Accident (Stapp)
- Neighborhood concerns Update on 1604 Parkview
- Internal concerns Staffing report
- Internal affairs summary IA summary
- Upcoming events Hays CJ Reform Commission
- Set next meeting date



Policies Reviewed

- Code of Conduct
- Employee Discipline
- Internal Investigations



Departmental Presentations

- 2018 Bank of America Robbery (Detective Aubry)
- Blue Santa Program (Corporal Taylor)
- San Marcos/Hays County Crisis Negotiation Team –
 (Corporal Lee)
- San Marcos 911 ProQA Procedures (CTO Zavala)
- Officer Claudia Cormier accident (Chief Stapp)



Panel in Action

- Citizen member concern Guadalupe County Deputy
- Neighborhood concern Unsafe structure, 1604 Parkview
- Outreach idea Ice cream coupons for kids
- Traffic concerns Hopkins street construction
- Department outreach
 - Sunshine Kids event
 - Department awards program
 - Cormier fundraiser
 - CPAAA fundraiser
 - Burgers with the Cops
 - Blue Santa



Outcomes

- Stronger relationships between department and community panel members.
 - The discussions surrounding community issues have led to stronger relationships among the panel members.
- Enhanced transparency through discussions about employee complaints and how those are handled.
- Improved legitimacy
 - The involvement of panel members in the development of new departmental policies increases the legitimacy of the police department and its personnel.
- Better community engagement
 - Because of their involvement on the advisory panel, certain members have become more involved in the outreach efforts of the department.



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Moving Forward

- Continue bi-monthly meetings
- Consider mid-year replacement of 2 members
- Continue policy review
- Continue internal affairs review at each meeting
- Share developments of both Hays County and San Marcos
 Criminal Justice Reform Committees
- Share contact information of panel members with the public
- Encourage community panel members to be involved in the department's outreach programs



Questions and Discussion



San Marcos Police Department Chief's Combined Advisory Panel Minutes 4/17/19

SMPD Members	Citizen Members	
Eric Charleswell	Nathaniel Kindred	
Brenda C. Pisana	Marianne Moore	
Jesse Saavedra	Gary Pack	
Chase Stapp	Antonio Palacios	
Jessica Todd	Olivia Juarez Reid	
Karen Zavala		

The meeting of the San Marcos Police Department Chief's Combined Advisory Panel was called to order at 5:38 p.m. on April 17, 2019. Jessica Todd, Nathaniel Kindred, and Marianne Moore were absent.

Chief Stapp opened the meeting with an introduction of panel member Karen Zavala who presented an overview of the ProQA dispatch program. The presentation included a discussion and question/answer period about the behind the scenes aspect of law enforcement. For example:

- ProQA is dispatching software that has been used for Fire and EMS for about two years; it started live last week for Police dispatching; SMPD dispatches all three disciplines; not all departments dispatch all three disciplines
- TCO's use standardized scripts to gather information from the caller which means the same questions are asked in the same order for each type of call; designed to get to the more important information at the beginning of the call
- With proliferation of mobile phones, the number of Calls for Service has increased; this method helps speed the call-taking process (i.e. RECEIVE the call, CLASSIFY type of call and PRIORITIZE the response needed)
- Random calls are reviewed for quality control; both internal and external reviewers
- If caller is reporting a past event, script is not required
- Scripted card sets are available for computer crashes

Chief Stapp

- Minutes of the last meeting were reviewed and approved
- Presented update on renovation plans for the PD; conceptual building design is in place; desire is for the building to be a presence in the community, something to be proud of; should be 5,500 sf of new space and 9,000 sf of renovated space

- General discussion about policy review process and how we are blending our current policies with the recommended TPCA policies to meet accreditation requirement
- Chief Stapp started a physical wellness program two years ago and has seen overall improvements in several people. He hopes to expand the program to a holistic approach that would include emotional wellness.
- On May 11, 2019, one of our outreach efforts is to have the Mobile Mexican Consulate set up at the Sinai Pentacostal Church at 8:00 a.m. This will allow Mexican citizens a way to get an official ID and any of the other services they offer.
- On May 17, 2019, the PD awards banquet will occur and it is a more formal occasion than in past years

Neighborhood Issues

• Chief Stapp updated an earlier discussion about 1604 Parkview that Nathan raised because of its unsightly appearance. The property is on the city's unsafe structures list and will be taken care of eventually; there is no overnight solution. However, officers will be asked to close patrol the area until then.

Internal Issues

Jesse

• Discussed an issue brought up during a POA meeting regarding mandated counseling/classes focusing on an officer's mental health. Some officers want MH training/counseling to be mandatory but some officers will just shut down if it's mandated. There was a recommendation that officers attend the Emotional Survival for Law Enforcement class once a year. It's also available for family members. There is a copy of the video in Admin and it is available to borrow if anyone is interested. Chief Stapp also advised that he gives each new officer a copy of the book when they are in the miniacademy and ask that they finish reading it by the end of the mini-academy.

Internal Affairs Investigations

Chief Stapp advised that one investigation that had been pending at the last meeting and which was internally generated had been resolved. It involved an officer that had reported to duty with the appearance of being under the influence of alcohol. It was determined that the officer was not legally under the influence of alcohol but had been consuming alcohol the night before reporting to duty. Not enough time had passed since the last drink of alcohol and reporting to duty. This showed poor judgment and the officer had been given three days without pay.

Antonio asked if officers could call in sick to avoid this type situation. Chief Stapp said they could do that but it wasn't a good idea for this to become habitual.

Round Table

Brenda reminded people to submit their agenda items by the Monday before each meeting.

Gary advised that street closures are causing major issues around the city. Chief Stapp said he would give a copy of the routing plans to Gary.

Eric asked if officers could get a list of city owned buildings that are unoccupied so they could perform walk-throughs of the property.

Chief Stapp advised that he had changed the facial hair policy to allow facial hair and he hadn't realized how much of a recruiting tool it was.

Karen asked if TCOs could get a key holder list.

Antonio advised that the CPAAA was going to be doing a raffle as a fund raiser. He had contacted seven local restaurants and received a total donation of 28 meals. Those meals are being raffled for \$10.00 a ticket. The goal is to sell 2500 tickets.

The next meeting was scheduled for 5:30 p.m. on June 19, 2019.

The meeting was adjourned at approximately 7:00 p.m.

San Marcos Police Department Chief's Combined Advisory Panel Minutes 10/25/18

SMPD Members	Citizen Members
Eric Charleswell	Meghan Hollis
Brenda C. Pisana	Olivia Juarez Reid
Jesse Saavedra	Nathaniel Kindred
Chase Stapp	Marianne Moore
Jessica Todd	Gary Pack
Karen Zavala	Antonio Palacios

The meeting of the San Marcos Police Department Chief's Combined Advisory Panel was called to order at 5:40 p.m. on October 25, 2018. Karen Zavala and Jesse Saavedra were absent.

Chief Stapp opened the meeting with an introduction of Detective Patrick Aubry who presented a case briefing on a series of bank robberies in San Marcos and the surrounding area. The most recent robbery was of the Bank of America on April 28, 2018. The briefing included discussion and question/answer period about how detectives and FBI agents were able to solve several of the robberies.

Chief Stapp provided information on the following:

- Building renovation project continues to move forward with the selection of an architect firm near. The selection committee reviewed 10 quotes, reduced the pool to four, and hopes to hire the firm in December. Ground-breaking should be in late spring.
- The FY19 budget included two new positions for the PD: one School Resource Officer (SRO) assigned to Lamar campus and one Narcotics detective. The SRO position was funded to begin October 2018 and the Narcotics detective was funded mid-year (April 2019). Chief Stapp explained the operational benefit of adding a new Narcotics detective since almost all homicides in San Marcos have been related to drug crimes.
- The Fourth Quarter FY 2018 management report was distributed and discussed. Calls for service were on a downward trend which seemed unusual with the population increase. Dr. Hollis explained that she had reviewed the data and it seemed to be on a normal trajectory and was likely a statistical anomaly. Members of the committee found this report informative and helpful.

- Blue Santa wrapping sessions will begin on Tuesday, November 13, 2018, at 7:00 p.m. and will continue each Tuesday until Christmas. This is a very popular PD program as we served 1,800 families last year.
- The Parking Mobility program will begin in the near future. This programs allows citizens to report handicap parking violations which will then be reviewed by the PD. If the violation is legitimate, the PD will issue a citation. Citizens who participate in the program must first complete a brief training program and they are not permitted to interact with drivers. They can only document the violation. Update this program is now live.
- Chief Stapp explained Senate Bill 4 (more commonly known as "anti-sanctuary cities") and discussed the PD's policies. We have been active in the community by conducting public meetings in an effort to reach the immigrant population. We believe we have been successful in alleviating some of the fear among immigrants. Our message is simple: if you are here illegally *and are a threat to the community*, you should be afraid. Otherwise there is no immigration threat to law-abiding residents. Olivia commended the department for being so active in the community and believes it has been helpful in reducing fear.

Neighborhood Issues

Antonio discussed two concerns:

- Unrestrained animals in vehicles. He had observed a dog in a driver's lap that jumped or fell from the vehicle. Chief Stapp advised that this is not a violation and the only way to make it so is to address the concerns through the legislative process.
- Requirements for license plates and enforcement of those requirements. Chief Stapp explained that our state requires front and rear license plates to be mounted on the vehicle. This is a violation that officers often stop a driver for but seldom cite. Eric agreed to provide the group with the exact code.

Olivia asked about the License Plate Reader program. Chief Stapp explained how our program works, in that City Council has only approved our using it for parking enforcement at this time. We hope to be able to expand that in the future.

Gary Pack asked how much the PD budget was, and Chief Stapp advised that it was approximately \$15 Million.

Marianne asked about using mobile phones while operating a motor vehicle. Chief Stapp explained that the city had implemented an ordinance that prohibited phone use while a vehicle was in motion. Policies varied from city to city. However, the state legislature enacted legislation which conflicted with the city's ordinance so the city is unable to enforce much of their ordinance.

Marianne also asked about how the traffic situation was on Hopkins since the speed limit had been reduced to 30 MPH. Chief Stapp advised that it was "a mess", particularly between Wonder World and San Antonio. The PD had given a 30-day grace period before writing tickets. It seems that 30 MPH is too slow for the flow of traffic. Additionally, complaints of tailgating have increased

significantly. Chief Stapp related that he was driving a marked vehicle at the appropriate speed when someone passed him. Because there have been so many complaints (about the slow speed, not about citations), the city will be conducting a speed study to determine of 30 mph is appropriate.

Internal Issues

Chief Stapp provided summary information on two complaints that had been resolved since the last meeting. No employee identifying information was released.

Chief Stapp discussed an on-line complaint he had received against an officer for racial profiling. He explained the general process of investigating allegations. When complaints come in to the department, they are logged and assigned to the appropriate supervisor for investigation. Often complaints go no further because he can gather enough information to respond. Chief Stapp was able to review the body camera video and determined that racial profiling had not happened. He then responded to the complainant about his findings.

In another incident, after a thorough investigation, an officer was suspended for 30 days for releasing sensitive information outside the department. The officer cooperated with the investigation and admitted fault. Although no one was harmed because of the breach of information, they could have been. The officer's actions showed a serious lack of judgment but did not amount to malicious behavior.

The next meeting was scheduled for 5:30 p.m. on December 20, 2018.

The meeting was adjourned at approximately 6:55 p.m.

Summary of San Marcos Police Department Complaints

August 2018 to Present

Date	Category	Nature	Outcome
October, 2018	Racial Profiling	Citizen complained of being racially profiled when an officer responded to a robbery alarm call at a local Sprint store.	Body camera footage was present and reviewed – complaint unfounded
November , 2018	Discourtesy	Citizen complained that an officer did not adequately gather her side of the story when investigating allegations that her roommate was abusive to her.	Body camera footage and call notes were reviewed. Officer was counseled about thoroughness of investigations.
December, 2018	Internal – policy violation	Internally generated complaint that an officer reported to work with the odor of an alcoholic beverage on her breath.	City policy followed, officer tested. Low levels of residual alcohol were found. Officer attended counseling and 3-day suspension issued.
January, 2019	Discourtesy, lack of thorough investigation	Misdemeanor assault victim alleged that an Officer did not thoroughly investigate her complaint and was discourteous.	Full review of officer's investigation, written report, and body camera showed allegations to be unfounded.
January, 2019	Inquiry	A citizen inquired about why an officer asked her for permission to search her car during a traffic stop.	Body camera footage reviewed. The stop and consensual search were lawful. The interaction was very cordial.
February, 2019	Use of Force	A suspect arrested for attempting to steal a license plate from a parked vehicle complained that the use of a Taser on him was excessive.	A review of the reports and body camera footage showed that the officer's actions were reasonable and according to policy.
February, 2019	Discourtesy	A citizen complained that an officer did not adequately consider her side of the story when investigating an accident. The citizen also felt the officer was discourteous.	Body camera footage was reviewed. Although her conduct was not egregious, the officer was counseled about her demeanor.

March, 2019	Racial Profiling	A trainee officer mistakenly checked an out of state license place as a Texas plate. This led to an errant registration return and a traffic stop that should not have been made. The officer realized her mistake, apologized to the motorist, and released her. The motorist's mother later complained that the officer made up the mistake and stopped her daughter because she	A review of the in-car and body camera footage showed that the officer clearly made a mistake and thought the mistaken registration return was reason for a stop. The officer apologized and released the motorist as soon as she realized her mistake. No racial profiling was present.
March, 2019	Discourtesy	was Black. A citizen complained that an officer was discourteous during an accident investigation.	Body camera footage was reviewed. The officer was pleasant and courteous during the citizen contact.
April, 2019	Discourtesy	The mother of a SMHS student complained that an SRO had been discourteous to her daughter on campus.	A review of body camera footage revealed that the student was not truthful to her mother. The complaint was unfounded.
April, 2019	Discourtesy	A motorist who caused a 6-car accident complained that an Officer was discourteous to him during their encounter.	This investigation is pending due to the officer being out of FMLA leave.
May, 2019	Discourtesy	Two motorists complained that an officer conducting early morning traffic control near Crocket Elementary was loud and aggressive to them.	A review of body camera footage showed that the officer did raise his voice in a manner that could have been avoided. He was counseled about how to better handle such situations.
July, 2019	Internal – policy violation	Internally generated complaint – an officer (same as prior incident) arrived to work with the odor of an alcoholic beverage on her breath.	City policy was followed and the officer was tested. The test was positive. The officer resigned prior to the investigation being completed.

2019 Activity and Events

Jan.	Leadership San Marcos Simunitions exercise. Part of first responder's orientation.
	CRASE Presentation at Thermon - 80+ employees - two presentations (day and night shifts)
	Assisted "Black Women in Business" secure a location in the auditorium for meeting. Build a
	strong community tie with a minority group of women.
Feb.	TX St Job Fair
	CPA Class #45 begins (every Thursday for the next 12 weeks and 2 Saturday classes)
	Coffee w/Cop at Whataburger
Mar.	Follow-up to CRASE at Thermon (walk-through of campus)
iviai.	TCPAAA Convention committee meetings (monthly)
	Worked with ViLITE Films (Russell Reed) to shoot portion of small film at the PD (Baby Nick)
	The film premier was held in the PD auditorium weeks later (very diverse group of cast and
	crew)
	PD Volunteer appreciation dinner at Mamacita's
	Coffee w/Cop at McDonalds Hwy123
	CPA 45: Use of Force, Victims Services, Narcotics
Apr/May	Central Texas 100 Club event - McDonald's North
	Coffee w/Cop at Shipley's
	CRASE Training for city employees
	Hernandez middle school Recognition day
	Doir Miller appreciation
	Austin Autism event at Children's Park
	CPA 45: SWAT, Juvenile, Crime Scene
_	
June/July	Sunshine Kids Cookout
	Coffee w/Cop at Starbucks
	School Base Law Enforcement Convention recruiting event
	De Zavala kids career day
	Safety meeting with three apartment complexes
	Prepared graphic campaign for apartment safety
	Cars and Coffee with new SMPD Outreach "race car" – COTA in Austin
	Assisted with cookout for Kyle PD Code Enforcement Officer
	CPA 45: CRASE, Polygraph, K9, Shooting, Sims
	Conducted safety seminars with a number of apartment complex's after the serial sexual
	assaults and break ins (three complexes approximately 70 attendees)
Planned and U	pcomina
	ng for Samaritan's Shoes (250 kids registered as of 07/29)
	town Cook-Out (coordinate with main street)
	vs First Responders Wheel Chair Games (Cook-out for Event)
	Out at Kissing Tree Golf Tournament
	Blue Santa (purchasing began in Feb, June, July, Sept and Oct clearances for best deals and savings)
	nal Night Out (October)
	TCPAAA Convention (first week in August approx. 350 in attendance)
• 2019 I	Recruiting Campaign (materials for distribution, selected locations for bill boards, social media, geo-fencing,
	listribution, Job Fairs)
 CPA 4 	6 begins in September

- Safety Seminars for apartments starting fall school year (Lock Your Doors and Your Safety Is Your Responsibility are the themes)
- Examples of graphics:



